



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

July 30, 2001

To: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: David E. Janssen
Chief Administrative Officer

Board of Supervisors

GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

STATE LEGISLATIVE UPDATE

Additional Public Safety Projects in the State Budget

Last week, we provided a report on the Governor's signing of the State Budget for FY 2001-02 and his veto actions. Since then, we have identified two additional public safety projects in the Budget which were approved by the Governor.

Regional Law Enforcement Training Centers: The FY 2001-02 State Budget includes \$5 million for Regional Law Enforcement Training Centers. These funds are designated for one-time competitive grants for facility planning, renovation or construction. It is our understanding that Sacramento and Los Angeles County most likely will be the key recipients of these funds.

Los Angeles Homeless Center: The Governor also approved \$250,000 for the Los Angeles County Sheriff to be used for planning a Los Angeles Homeless Center and Mental Health Clinic. Sheriff's staff indicate that this is intended to provide seed money for fact finding, environmental impact analysis, and determination of the location of the facility.

State Budget Trailer Bills

On Saturday, July 28, 2001, the Governor signed the following budget trailer bills: **AB 429 (Aroner and Chan)**, relating to social services; **AB 435 (Committee on Budget)**, relating to resources; **AB 438 (Committee on Budget)**, relating to transportation finance; and **AB 445 (Cardenas)**, relating to the School Facilities Fee Program. On July 30, 2001, at the Edelman Children's Court, the Governor signed **AB 427 (Hertzberg et al)** relating to foster care. Attached is a listing of all of the trailer bills, including a brief description of each as prepared by the Sacramento staff. As previously reported, additional trailer bills may be taken up in August when the Legislature reconvenes.

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Two potential social services related trailer bills which may be considered in August have been identified: **AB 144 (Cedillo)**, which would increase the vehicle value exemptions for CalWORKs and Food Stamps recipients to \$15,000, if the applicant or recipient is linked or expected to be linked to employment, and **AB 444 (Committee on Budget)**, which would eliminate non-aided adults from CalWORKs fingerprinting requirements.

Other Budget Related Actions

ACA 4 (Dutra and Longville), which places a Constitutional Amendment on the March 2002 primary ballot to permanently dedicate the gasoline sales tax to transportation projects commencing in FY 2003-04, was chaptered by the Secretary of State.

Upcoming Legislative Hearings

A Joint Hearing of the Assembly Select Committees on California Children's Health, Health Access and Low Performing Schools will be held in Sacramento on Wednesday, August 1, 2001 from 10:00 a.m. to 12:00 noon to discuss quality health care and educational learning.

The Assembly Select Committee on Gun Violence will hold a hearing on the impact of gun violence on Tuesday, August 14, 2001 from 10:00 a.m.-1:00 p.m. at the LAC+USC Medical Center.

A Joint Hearing of the Assembly Human Services and the Senate Health and Human Services Committees will be held in Sacramento on Tuesday, August 22, 2001, upon adjournment of the Senate Health and Human Services Committee, to discuss the Community Services Block Grant State Plan.

We will keep you advised.

DEJ:GK
DS:md

Attachment

c: Executive Officer, Board of Supervisors
 County Counsel
 Local 660
 All Department Heads
 Coalition of County Unions
 California Contract Cities Association
 Independent Cities Association
 League of California Cities
 City Managers Associations

2001-02 STATE BUDGET TRAILER BILLS

AB 426 (Cardoza) Taxation

As Amended July 21, 2001

Vote Requirement: Two-thirds (Senate 35-0; Assembly 75-0)

Status: To Governor

Existing law provides that the State's sales tax will be reduced by one-quarter cent when the State's budgetary reserve exceeds 4 percent of the State's General Fund for two consecutive years. This bill changes the trigger from 4 percent to 3 percent of estimated current year revenues, with the additional requirement that actual General Fund revenues for May through September are at least equal to the May Revision forecast. It also provides permanent agricultural and rural sales tax exemptions for various products and permanently increases, by 45 percent, benefits paid under the Senior Homeowners' and Renters' Assistance program.

AB 427 (Hertzberg et al) Foster Care

As Amended July 20, 2001

Vote Requirement: Two-thirds (Senate 34-2; Assembly 72-2)

Status: Signed by Governor on July 30, 2001

This bill includes those provisions of County-supported **AB 1119 (Hertzberg)**, which establishes an Internet-based Health and Education Passport System in Los Angeles County to collect and maintain health and education records for children in foster care. It also provides ongoing financial support for foster youth up to age 23 years, as long they participate in an educational or training program or any activity consistent with their transitional independent living plan. The amount of aid would be equivalent to the basic rate provided to a foster family home. The measure also revises the method of determining the rate for community care facilities participating in transitional housing placement programs.

AB 429 (Aroner and Chan) Omnibus Social Services Trailer Bill

As Amended July 20, 2001

Vote Requirement: Two-thirds (Senate 27-12; Assembly 54-22)

Status: Signed by Governor on July 28, 2001

Among other provisions, this bill:

- eliminates the sunset provision for the California Food Assistance Program (CFAP) and the Cash Assistance Program for Immigrants (CAPI) for post-August 1996

- immigrants, under specified circumstances, but extends the deeming period for CAPI from five years to ten years;
- allows IHSS wage rates to be increased up to \$8.50 per hour in Public Authority counties by suspending the revenue target trigger for FY 2001-02 only;
 - provides a 3 percent wage increase for IHSS providers in non-Public Authority counties;
 - continues parental eligibility for CalWORKs services when children are removed from the home and family reunification is likely (similar to County-supported **SB 249-Chesbro**);
 - establishes a Child Support Collections Recovery Fund to meet federal audit requirements;
 - eliminates funds for county performance incentives budgeted in the current year;
 - requires the State to establish a process for counties to request funds from the TANF reserve;
 - provides counties with the flexibility to implement reductions in the Adult Protective Services Program due to budget reductions; and
 - repeals the sunset of the State's Wraparound Program for services to children in out-of-home care.

AB 430 (Cardenas) Omnibus Health Trailer Bill

As Amended July 20, 2001

Vote Requirement: Two-thirds (Senate 27-12; Assembly 54-21)

Status: To Governor

Among other provisions, this bill:

- allocates funding to trauma centers and establishes trauma system planning;
- expands the Healthy Families Program to cover parents or guardians, of enrolled children, earning up to 250 percent of the federal poverty level, including qualified immigrants;
- permits applicants in the Healthy Families Program to self verify income to determine eligibility;
- establishes annual eligibility redetermination for adults in the Medi-Cal program;
- establishes an accelerated Medi-Cal eligibility process for children entering the foster care system;
- creates the Breast and Cervical Cancer Program for low-income uninsured and under-insured women earning up to 200 percent of the federal poverty level;
- creates the Tobacco Settlement Fund for health care expansions in the Medi-Cal and Healthy Families Programs, smoking cessation services, and health care education and outreach;
- accelerates enrollment of the Medi-Cal and Healthy Families Programs for children through a single point of entry;

- allocates the supplemental payment rates paid to Community Treatment Facilities for children placed in foster care at a sharing ratio of 60 percent County/40 percent State;
- provides rural health clinics with a base funding level of \$75,000;
- requires the State Department of Health Services to provide updates and reports to the Legislature on Los Angeles County's Section 1115 Waiver; and
- provides \$24.8 million in Proposition 99 funding to emergency room physicians and for emergency room services.

AB 434 (Keeley) Hatton Canyon Property Acquisition

As Amended July 20, 2001

Vote Requirement: Two-Thirds (Senate 32-3; Assembly 60-12)

Status: To Governor

This bill makes various legislative findings and declarations relating to the sale of specified property by the Department of Transportation for the purpose of creating or adding to a State park within Hatton Canyon near the City of Carmel-by-the-Sea in Monterey County.

AB 435 (Committee on Budget) Resources

As Amended July 21, 2001

Vote Requirement: Majority (Senate 39-0; Assembly 71-0)

Status: Signed by Governor on July 28, 2001

This bill implements the Automated License Data System within the State Department of Fish and Game. This automated hunting and fishing license system replaces the existing paper-based system.

AB 438 (Committee on Budget) Transportation Finance

As Amended July 20, 2001

Vote Requirement: Two-thirds (Senate 27-12; Assembly 54-22)

Status: Signed by Governor on July 28, 2001

This bill defers the shifting of sales tax revenues from the General Fund to the Transportation Congestion Relief Program for two years, and extends that program for two years. It also continues, for 2001-02 and 2002-03, the funding of local street and road maintenance at the same amount provided under existing law, but from different account funds.

AB 440 (Cardoza, Matthews, Briggs and Dickerson) Senior Tax Relief and Local Law Enforcement

As Amended July 21, 2001

Vote Requirement: Two-thirds (Senate 38-0; Assembly 75-0)

Status: To Governor

This bill appropriates \$5.2 million in addition to the amount appropriated in the Budget Act

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of 2001 for the High Technology Grant Program for specified law enforcement agencies. It increases the minimum amount of each law enforcement grant from \$20,000 to \$30,000. Finally, it appropriates \$75 million in addition to the amount appropriated in the Budget Act of 2001 for tax relief for senior citizens' property tax assistance and senior citizen renters' tax assistance.

AB 441 (Simitian) School Finance Revenue Limits

As Amended July 20, 2001

Vote Requirement: Two-thirds (Senate 38-0; Assembly 75-0)

Status: To Governor

For FY 2001-02, this bill requires the Superintendent of Public Instruction to compute an equalization adjustment for each school district, so that no district's prior year base revenue limit per unit of average daily attendance is less than the prior year base revenue limit per unit of average daily attendance, with no more than 10% of the total Statewide units of average daily attendance receiving a higher revenue limit. It appropriates \$40 million for the purpose of implementing the equalization adjustment.

AB 443 (Aanestad) Local Law Enforcement Funding

As Amended July 21, 2001

Vote Requirement: Two-thirds (Senate 37-1; Assembly 74-0)

Status: To Governor

This bill restricts the use of High Technology Law Enforcement Equipment grants to rural county sheriffs' departments, and annually appropriates \$18.5 million for the Local Assistance for Rural and Small Law Enforcement Program to support 37 small and rural county sheriffs' departments.

AB 445 (Cardenas) School Facilities Fee Program

As Amended July 20, 2001

Vote Requirement: Majority (Senate 21-11; Assembly 47-26)

Status: Signed by Governor on July 28, 2001

This bill repeals the \$20 million appropriation in FY 2002-03 for the School Facilities Fee placed on new home buyers and transfers that amount, plus any unobligated amounts as of December 31, 2001, to the State General Fund.

SB 294 (Scott) Firearms Dealer Inspections and Victims Recovery Resource and Treatment Centers

As Amended July 19, 2001

Vote Requirement: Two-thirds (Assembly 54-14; Senate 25-11)

Status: To Governor

This bill increases the Department of Justice inspection fees to ensure that firearms dealers meet statutory requirements. It also requires the California Victim Compensation and Government Claims Board to establish up to five Victims Recovery Resource and

Treatment Centers, which primarily would provide services to crime victims and their families whose needs are not currently being met.

SB 347 (Chesbro) Omnibus Education Bill

As Amended July 19, 2001

Vote Requirement: Two-thirds (Assembly 78-0; Senate 36-3)

Status: To Governor

This is the Omnibus Education Bill, which includes higher education.

SB 742 (Escutia) General Government Omnibus No. 1

As Amended July 19, 2001

Vote Requirement: Two-thirds (Assembly 77-0; Senate 34-3)

Status: To Governor

Among other provisions, this bill makes various changes in child care. Specifically, it allows loans from the Child Care and Development Facilities Direct Loan Fund to increase from 50 percent to 75 percent of the total amount of investment for the purchase, development, expansion or improvement of eligible child care and development facilities. The loan will be repaid at a simple interest rate of three percent, and the repayment period will increase from 20 years to 30 years. The measure also makes loans available from the Direct Loan Fund to local micro-enterprise loan funds and to other lenders who may re-lend these funds to eligible small and large family day care home providers and to licensed child care and development facilities that serve up to 35 children.

SB 982 (O'Connell, Sher) Special Education Mandates Settlement

As Amended July 19, 2001

Vote Requirement: Two-thirds (Assembly 78-0; Senate 39-0)

Status: To Governor

This bill allocates \$620 million from the State to various school districts to settle a long-standing court case on special education mandates.